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Agenda item 8

THE ENVIRONMENT FUND AND ADMINISTRATIVE AND OTHER MATTERS

Draft decisions approved by the Fund Committee

1. The Environment Fund: use of resources in 1990-1991 and proposed use of projected resources in 1992-1993 and 1994-1995

The Governing Council,

Having considered the Annual Reports of the Executive Director for 1989 and 1990 (UNEP/GC.16/2 and 3), as well as his report on the Environment Fund covering the use of resources in 1990-1991 and the proposed use of projected resources in 1992-1993 and 1994-1995 (UNEP/GC.16/23 and Corr.1 (English only) and 2 (Spanish only) and Add.1), together with his comments on the report of the Board of Auditors on the financial report and audited accounts of the Environment Fund for the biennium 1988-1989 ended 31 December 1989 and on the observations of the Advisory Committee on Administrative and Budgetary Questions thereon,

1. Takes note of the comments of the Executive Director on the report of the Board of Auditors on the financial report and audited accounts of the Environment Fund for the biennium 1988-1989 ended 31 December 1989.

2. Expresses its appreciation to those Governments that have contributed or pledged to contribute to the Fund at a higher level in 1990, 1991 and beyond;

3. Reconfirms the target of $100 million for contributions to the Environment Fund by the year 1992 approved by the Council by paragraph 1 of section V of its decision 15/1 of 25 May 1989;

4. Notes the Executive Director's view that contributions of $250 million will be required by 1995 to allow the United Nations Environment Programme to fulfil its tasks;

5. Affirms in this regard the desirability of working towards a level substantially higher than the present level of contributions to the Environment Fund by 1995, fully commensurate with the demands placed upon the Programme as a result of the urgent and increasing environmental problems that the Programme must address;

6. Calls upon all Governments to contribute or to increase their contributions to the Environment Fund accordingly;

7. Notes with concern that although the overall level of contributions to the Environment Fund has increased, the number of countries contributing to the Fund has decreased, and calls upon all Governments that are not contributing to make every effort to do so;

8. Strongly appeals again to all Governments to pay their contributions either before the end of the year preceding that to which their contributions relate or as near as possible to the beginning of the year to which they relate;

9. Approves an appropriation of $150 million for Fund programme activities for the biennium 1992-1993;

10. Decides to apportion the appropriation for Fund programme activities in that biennium as follows with the full programme for 1990-1991 indicated for comparison:

Subprogramme/budget line		1992-1993 (Thousands of United States dollars)	Percentage	1990-1991 (Thousands of United States dollars)	Percentage
1.	Atmosphere	7 000	4.7	2 700	4.0
2.	Water	8 840	5.9	3 400	5.0
3.	Terrestrial ecosystems	20 550	13.7	11 900	17.5
4.	Oceans	11 950	8.0	7 000	10.3
5.	Lithosphere	500	0.3	600	0.9
6.	Human settlements and environment	3 350	2.2	1 300	1.9
7.	Human health and welfare	2 500	1.7	1 500	2.2
8.	Energy, industry and transportation	10 750	7.2	4 300	6.3
9.	Peace, security and the environment	-	-	400	0.6
10.	Environmental assessment	28 050	18.7	14 800	21.8
11.	Environmental management measures	17 460	11.6	3 900	5.7
12.	Environmental awareness	19 500	13.0	9 000	13.2
13.	Technical and regional co-operation	19 550	13.0	7 200	10.6
	TOTAL	150 000	100.0	68 000	100.0

11. Approves an additional appropriation for Fund programme activities for the biennium 1992-1993 of $30 million as set out below on the understanding that this additional appropriation will be used only as and when additional resources become available to the Environment Fund once the programme of $150 million has been initiated and after consultation with the Committee of Permanent Representatives, taking into consideration the following apportionment:

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Subprogramme/budget line		Amount (Thousands of United States dollars)	Percentage
1.	Atmosphere	2 000	6.6
2.	Water	2 700	9.0
3.	Terrestrial ecosystems	4 180	13.9
4.	Oceans	2 530	8.4
5.	Lithosphere	150	0.5
6.	Human settlements and environment	650	2.2
7.	Human health and welfare	500	1.7
8.	Energy, industry and transportation	2 150	7.2
9.	Environmental assessment	5 500	18.3
10.	Environmental management measures	2 940	9.8
11.	Environmental awareness	2 900	9.7
12.	Technical and regional co-operation	3 800	12.7
	TOTAL	30 000	100.0

12. Requests the Executive Director, in the event of a shortfall of the expected contributions below the level required to finance the agreed programme for 1992-1993:

(a) To take into account the following alternative courses of action in formulating his response to the shortfall:

(i) Allocation to the higher priority areas identified in table 2 of the proposed budget programme for 1992-1993 (UNEP/GC.16/15) of all the appropriations previously approved for them in the core programme with appropriate new allocations to other priority areas to the full extent of the remaining funds; or,

(ii) A 15 per cent cut in all programme allocations;

(b) To put his proposed response to the Committee of Permanent Representatives so that it can consider it and make recommendations;

(c) To act in accordance with the Committee's recommendations;

13. Approves an appropriation of $5 million to the Fund programme reserve for the biennium 1992-1993;

14. Reconfirms the Executive Director's authority to adjust the apportionment for each budget line by 20 per cent, within the overall appropriation for Fund programme activities in 1992-1993;

15. Stresses again the need to maintain the liquidity of the Fund at all times;

16. Authorizes the Executive Director to enter into forward commitments not exceeding $20 million for Fund programme activities in 1994-1995;

17. Requests the Executive Director to draw up a programme for Fund activities in 1994-1995 with a core programme of $160 million and a supplementary programme of $40 million;

18. Requests the Executive Director to continue to keep the status of the Environment Fund under review and, in the event that he considers it necessary to adjust the 1994-1995 planning figures, to report thereon to the Committee of Permanent Representatives and, additionally, in the event that contributions to the Environment Fund continue to increase at a high rate, to consult with the Committee of Permanent Representatives with regard to drawing up an additional programme and, in either event, to act in accordance with the recommendations put forward by the Committee;

19. Requests the Executive Director to report to the Committee of Permanent Representatives at its regular meetings on matters relating to programme implementation and planning, including expenditure and income profiles and planning assumptions at the programme activity level;

20. Requests the Executive Director to consider ways of ensuring a more stable and wider basis for voluntary contributions to the Environment Fund including the possible use of appropriate indicative comparisons and to report thereon to the Governing Council at its next session.

2. Programme and programme support costs

The Governing Council,

Recalling paragraph 4 of its decision 15/45 of 18 May 1989, by which it approved an appropriation of $29,087,000 for the programme and programme support costs budget for the biennium 1990-1991, as well as section VI, paragaph 6, of its decision 15/1 of 25 May 1989, by which it approved a further supplementary appropriation of $3.17 million to be used by the Executive Director during the biennium 1990-1991 only as and when he was in a position to fill some or all of the posts approved by the Council within the programme and programme support costs budget,

Having considered the performance report on the programme and programme support costs budget for the biennium 1990-1991 (UNEP/GC.16/22 and Corr.1 (English only) and Corr.2, part one), which reviews the implementation of the budget as at 31 December 1990, as well as the proposed budget for the biennium 1992-1993 as set out in his report on programme and programme support costs (UNEP/GC.16/22 and Corr.1 (English only) and Corr.2, part two) and as revised in his report on relevant recent developments (UNEP/GC.16/22/Add.1), together with the related comments of the Advisory Committee on Administrative and Budgetary Questions (UNEP/GC.16/L.1 and Corr.1),

1. Takes note of the performance report on the programme and programme support costs budget for the biennium 1990-1991 and the related report of the Advisory Committee on Administrative and Budgetary Questions;

2. Notes that the Executive Director was able to contain the programme and programme support costs in 1990 within the yardstick established in paragraph 2 of Council decision 12/19 of 28 May 1984 of 33 per cent of estimated contributions and that he will endeavour to do so in 1991 and future years;

3. Notes with concern, however, that the programme and programme support costs in 1990 were contained within the 33 per cent of contributions yardstick on the basis of a 24 per cent vacancy rate, greatly differing from the planned estimate of 10 per cent, and requests the Executive Director to make all possible efforts to reduce the actual vacancy rate with due attention to the 33 per cent yardstick;

4. Reconfirms the total appropriation of $32,257,000, including the supplementary appropriation, previously authorized for 1990-1991 with the revised distribution by programme and object of expenditure proposed by the Executive Director;

5. Approves an initial appropriation of $37,129,000 for the programme and programme support costs budget for the biennium 1992-1993 with the expenditure pattern by programme and object of expenditure proposed in those estimates, with the understanding that the re-apportionment of any savings realized in the administration of the appropriation due to a higher than expected vacancy rate will be subject to the recommendations of the Committee of Permanent Representatives;

6. Further approves a supplementary appropriation for programme and programme support costs for the biennium 1992-1993 of $3,701,600, including $1,601,100 on a loan basis towards the construction of new office accommodation subject to the final approval of the Advisory Committee on Administrative and Budgetary Questions, and $2,100,500 towards the creation of new posts, making a total appropriation of $40,830,600;

7. Requests that should there be a shortfall in the expected level of contributions to the Environment Fund, the Executive Director should continue to keep programme and programme support costs expenditures within 33 per cent of contributions and at the same time approve allocations in accordance with the following order of priority:

	Millions of dollars
Programme and programme support costs as proposed in the Executive Director's original report on the subject	35.24
Loan to the regular budget for the construction of new office accommodation	3.49
Supplementary appropriation for programme and programme support costs other than the costs of construction of new office accommodation	2.10
TOTAL	40.83

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8. Further requests that the supplementary appropriation of $2.1 million for programme and programme support costs other than the costs of construction of new office accommodation be utilized only after the following allocations for Fund programme and Fund programme reserve activities have been made:

	Millions of dollars
Programme of Fund activities	150.00
Fund programme reserve	5.00
Additional programme of Fund activities	30.00
Total	185.00

9. Approves under the initial appropriation of $37,129,000 for the biennium 1992-1993 the creation of one D-1, one P-5, two P-3 and four local-level posts in the Clearing-house Unit of the Office of the Executive Director;

10. Approves the Executive Director's proposals to transfer from the programme and programme support costs budget to the Fund programme budget one P-5, one P-4 and two local-level posts in the Environmental Law and Institutions Unit of the Office of the Environment Programme in light of the Council's decision to reconstitute that Unit as a programme activity centre;

11. Approves under the supplementary appropriation for the biennium 1992-1993 the creation of an additional 20 Professional and 29 local-level posts, subject to the recommendations of the Committee of Permanent Representatives, as follows:

(a) Office of the Environment Programme. One D-1 (environmental economics), five P-5 (atmosphere, soils, human health, energy and environmental economics), three P-4 (water, biodiversity and environmental training) and 10 local-level posts;

(b) Conferences and Governing Council Service. Transfer of six P-4, one P-2 and 15 local-level posts from Fund programme activities to the programme and programme support costs budget;

(ç) Administrative Service. One D-1, one P-4, two P-3 and four local-level posts to strengthen the electronic data processing and management information systems units;

12. Requests the Executive Director to administer the appropriation for the programme and programme support costs budget for the biennium 1992-1993 with the utmost economy and restraint consistent with the effective implementation of the environment programme, bearing in mind the availability of resources;

13. Further requests the Executive Director to report to the Governing Council at its seventeenth regular session on the implementation of the programme and programme support costs budget during the first year of the biennium 1992-1993.

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3. Global Environmental Facility

The Governing Council,

Having considered the report of the Executive Director on the Global Environmental Facility (UNEP/GC.16/24/Add.2),

1. Welcomes the establishment of the Global Environmental Facility on a pilot basis;

2. Endorses the actions taken by the Executive Director to support the establishment of the Facility and to collaborate with the World Bank and the United Nations Development Programme in its implementation;

3. Further welcomes the actions taken by the Executive Director, in consultation with the President of the World Bank and the Administrator of the United Nations Development Programme, in establishing the Scientific and Technical Advisory Panel;

4. Notes that the United Nations Environment Programme is required to help ensure that the global policy framework for the Global Environment Facility is consistent with existing environmental conventions and related legal instruments and agreements, and that the experience generated by the Facility will be helpful in developing new treaties and agreements (UNEP/GC.16/24/Add.2, para. 7);

5. Further notes that the United Nations Environment Programme is to play a key role in helping developing countries to define their needs to deal with global environmental issues supported by the Global Environment Facility and will disseminate information on existing and emerging technological developments (UNEP/GC.16/24/Add.2, para. 7);

6. Approves the actions of the Executive Director in seeking to secure funding or recover all legitimate costs, as appropriate, from the Global Environment Facility in order to enable the United Nations Environment Programme to fulfil its designated role under the Facility while implementing its programme under the Environment Fund;

7. Requests the Executive Director to continue to co-operate fully with the World Bank and the United Nations Development Programme in the development and implementation of the pilot Facility;

8. Further requests the Executive Director to include in his Annual Reports to the Governing Council an account of the participation of the United Nations Environment Programme in the Global Environmental Facility, with regular interim reports to the Committee of Permanent Representatives.

7. Approves, subject to the approval of the Secretary-General, the extension of general trust funds, as follows:

(a) Regional Trust Fund for the Implementation of the Action Plan for the Caribbean Environment Programme - until 31 December 1993;

(b) Trust Fund for the Convention on International Trade in Endangered Species of Wild Fauna and Flora - until 31 December 1995;

(c) Trust Fund for the Environmental Training Network in Latin America and the Caribbean - until 31 December 1993;

8. Approves, subject to confirmation by the Governments concerned and the approval of the Secretary-General, the extension of general trust funds, as follows:

(a) Regional Seas Trust Fund for the Eastern African Region - until 31 December 1993;

(b) Regional Trust Fund for the Implementation of the Action Plan for the Protection and Development of the Marine Environment and Coastal Areas of the East Asian Seas - until 31 December 1993;

(c) Regional Trust Fund for the Protection and Development of the Marine Environment and Coastal Areas of Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates - until 30 June 1993;

(d) Trust Fund for the Protection of the Mediterranean Sea Against Pollution - until 31 December 1993;

(e) Trust Fund for the Protection and Development of the Marine Environment and Coastal Areas of the West and Central African Region - until 31 December 1993;

(f) Trust Fund for the Convention on the Conservation of Migratory Species of Wild Animals - until 31 December 1993;

(g) Trust Fund for the Vienna Convention for the Protection of the Ozone Layer - until 31 March 1995;

(h) Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer - until 31 March 1995;

9. Notes with approval the establishment authorized by the Secretary-General of the general trust fund entitled "Trust Fund for the Interim Multilateral Fund under the Montreal Protocol on Substances that Deplete the Ozone Layer" from 1 January 1991 through 31 December 1993 and the request made to the Executive Director to act as treasurer of the Fund;

10. Invites Governments to continue and increase their support in the form of funds for the employment in the United Nations Environment Programme of additional staff, including staff from developing countries, and as for Junior Professional Officers, their employment should as far as possible include staff from developing countries;

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11. Also invites Governments to increase their financial support to specific activities within the programme provided that this increase is not at the expense of increased contributions to the Environment Fund;

12. Urges intergovernmental organizations, regional banks, non-governmental organizations and private corporations to increase their financial support to activities within the approved programme;

13. Requests the Executive Director, in view of the proliferation of trust funds administered by the United Nations Environment Programme, to evaluate the consequences for the operation of the Programme of this proliferation and produce options for reducing the number of such funds and report thereon to the Council at its seventeenth regular session.